

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

900 SOUTH FREMONT AVENUE ALHAMBRA, CALIFORNIA 91803-1331 Telephone: (626) 458-5100 www.ladpw.org

ADDRESS ALL CORRESPONDENCE TO: P.O. BOX 1460 ALHAMBRA, CALIFORNIA 91802-1460

IN REPLY PLEASE
REFER TO FILE: AE-3

May 27, 2004

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, CA 90012

Dear Supervisors:

JOB ORDER CONTRACT FOR
REPAIR AND REFURBISHMENT OF PUBLIC WORKS'
BUILDINGS AND FACILITIES
AWARD CONTRACT
SPECS. VARIOUS
ALL SUPERVISORIAL DISTRICTS
3 VOTES

IT IS RECOMMENDED THAT YOUR BOARD:

- 1. Relieve Ace Engineering, Inc., of their bid due to a clerical error and authorize the Director to release their bid bond.
- Award a Job Order Contract to MTM Construction, Inc., for a one-year contract period for a maximum cost of \$3 million to be financed from Public Works' Fiscal Year 2003-04 Budget and proposed Budget for Fiscal Year 2004-05.
- 3. Authorize the Director of Public Works to prepare and execute the JOC in the form previously approved by County Counsel, and establish the effective date following receipt of approved Faithful Performance and Labor and Materials Bonds filed by the contractor.
- 4. Authorize the Director of Public Works to execute work orders not to exceed the maximum amount of the contract.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On March 9, 2004, your Board adopted the JOC Unit Price Book and Specifications for the project and instructed the Executive Officer to advertise for construction bids. On April 6, 2004, four bids were received. On April 7, 2004, in accordance with Section 5103 of the Public Contract Code, Ace Engineering, Inc., the apparent low bidder, submitted a request to withdraw their bid due to a clerical error. Therefore, we recommend that your Board relieve Ace Engineering, Inc., of their bid and award the JOC to MTM Construction, Inc., the next apparent lowest responsive bidder, for repair and refurbishment of Public Works' buildings and facilities for a maximum not to exceed fee of \$3 million for a one-year contract.

The JOC is a flexible, cost-effective unit price contracting technique to accomplish repair and refurbishment of County facilities without extensive plans and specifications. This relatively simple and straightforward process reduces administrative requirements and lowers direct construction costs, while meeting all Federal, State, and County procurement requirements.

We are currently administering three active JOCs. This JOC will be used for facility repair demands, facility alterations, refurbishment, and rehabilitation projects for Public Works' facilities.

We will report activity on the JOC to your Board quarterly along with our regular report on delegated contracting activity.

<u>Implementation of Strategic Plan Goals</u>

These actions meet the County's Strategic Plan Goals of Service Excellence and Organizational Effectiveness as this construction contract will improve public facilities and restore them fully into service sooner than with traditional construction contracting.

FISCAL IMPACT/FINANCING

The recommended construction contract with MTM Construction, Inc., is \$3 million. There is no anticipated additional fiscal impact to the County as a result of this action. No work will be assigned to the JOC Program without the prior review and approval from the Director of Public Works.

The contract will be administered by Public Works. The repair and rehabilitation work will be financed through the Public Works' 2003-04 Budget and proposed budget for 2004-05.

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FACTS AND PROVISIONS/LEGAL REQUIREMENTS

A standard contract, in the form previously approved by County Counsel, will be used. The standard Board-directed clauses for contract terminations, renegotiations, and hiring qualified displaced County employees will be included.

The project specifications also contain provisions requiring the contractor to report solicitations of improper consideration by County employees and allowing the County to terminate the contract if it is found that the contractor offered or gave improper consideration to County employees.

As requested by your Board on August 12, 1997, and as a threshold requirement for consideration for contract award, MTM Construction, Inc., is willing to consider Greater Avenues for Independence Program/General Relief Opportunity for Work participants for future employment.

MTM Construction, Inc., as required on all publicly funded projects in excess of \$1,000, will be required to pay prevailing State wage rates to all persons employed on the JOC.

As required by your Board, language has been incorporated into the project specifications stating that the contractor shall notify their employees, and shall require each subcontractor to notify its employees, about Board Policy 5.135, the Safely Surrendered Baby Law, and that they may be eligible for the Federal Earned Income Credit under the Federal income tax laws.

MTM Construction, Inc., is in full compliance with Los Angeles County Code Chapter 2.200 (Child Support Compliance Program) and Chapter 2.203 (Contractor Employee Jury Service Program).

ENVIRONMENTAL DOCUMENTATION

The implementation of each work order under this JOC shall be subject to prior determination and documentation by Public Works that the work order is categorically exempt from the California Environmental Quality Act. In the event the work order is not exempt, your Board will be requested to approve the appropriate environmental finding and documentation prior to implementation.

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CONTRACTING PROCESS

On March 9, 2004, your Board adopted the JOC Unit Price Book and Specifications for the repair and refurbishment of Public Works' buildings and facilities and instructed the Executive Officer to advertise for bids. Four competitive bids were received on April 6, 2004. Bidders were required to submit a set of cost adjustment factors that would be applied to the unit prices for work in the JOC Unit Price Book. The bid was determined by calculating a composite factor using a predetermined and advertised formula. On April 7, 2004, Ace Engineering, Inc., requested to withdraw their bid due to a clerical error. MTM Construction, Inc., is the next apparent lowest responsive and responsible bidder meeting the criteria adopted by your Board. The JOC Unit Price Book and the contractor's adjustment factors will be incorporated in the awarded contract. The bid results are summarized in Enclosure A.

MTM Construction, Inc.'s, three-year contracting history is on file with Public Works.

To ensure the contract is awarded to a responsible contractor with a satisfactory performance history, bidders were required to report violations of the False Claims Act, their civil litigation history, and information regarding prior criminal convictions. The information reported by MTM Construction, Inc., was considered before making this recommendation to approve execution of the contract.

As requested by your Board on February 3, 1998, this JOC opportunity was listed on the "Doing Business with Us" website. A copy of the website posting is included as Enclosure B for your reference.

Public Works has evaluated and determined that the Living Wage Program (County Code Chapter 2.201) does not apply to the recommended contract as this contract is for non-Proposition A services.

<u>IMPACT ON CURRENT SERVICES (OR PROJECTS)</u>

The use of this contract will expedite the completion of repair or refurbishment work managed by Public Works. Minor impacts to Public Works employees may occur while repair or refurbishment work is underway.

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CONCLUSION

Please return one adopted copy of this letter to Public Works.

Respectfully submitted,

JAMES A. NOYES Director of Public Works

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Enc. 2

cc: County Counsel

Department of Public Social Services (GAIN/GROW Program)

Office of Affirmative Action Compliance

ENCLOSURE A

JOB ORDER CONTRACT FOR REPAIR AND REFURBISHMENT OF PUBLIC WORKS' BUILDINGS AND FACILITIES AWARD CONTRACT SPECS. VARIOUS

Bid Opening Date: April 6, 2004

Bid Summary:

| <u>Bidder</u> | | Total Composite Factor | |
|---------------|------------------------|------------------------|--|
| 1. | *Ace Engineering, Inc. | 0.7117 | |
| 2. | MTM Construction, Inc. | 0.9500 | |
| 3. | Athena Engineering | 1.0321 | |
| 4. | New Creation Builders | 1.0575 | |

^{*} Ace Engineering, Inc., withdrew their bid based on a clerical error.

Did Obdate

This bid was last updated by Brian Soria on 3/9/2004 4:50:29 PM Update your bid information here . . .

| * Indicates a required field. [3] | | <u>EN</u> |
|---|--|-----------|
| Bid Number * JOC 14 B | Bid Type * Construction | |
| Dept * Public Works | | |
| Open Date * March 9 2004 | | |
| Close Date * April 6 2004 | Closing Time - Hour: 10 Min: 45 AM | |
| Open Continuous - No close date | | |
| Amount Enter like 00,000 | | |
| Bid Title * | 3 | |
| Job Order Contract No. 14 | | |
| Bid Description - Details * | | |
| answer any questions that potential bidders may he recommended that the pre-bid conference be atter | | |
| Commodity/Service Code * 90922 Search (| Commodities/Services | |
| Commodity Description: BUILDING CONSTRUCTION SERVICE, NON- RE | SIDENTIAL (OFFICE BLDG., ETC.) | |
| Contact Information | | |
| Name * Brian Soria | | |
| Phone * 626 - 458 - 2588 - Ex | t | |
| Email * bsoria@ladpw.org | THE STREET S | |
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